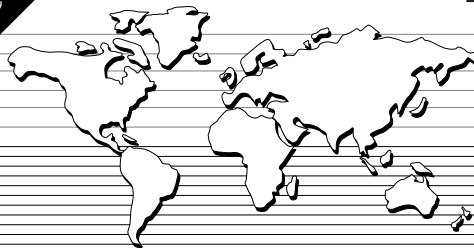




U.S. Department of the Treasury  
Office of Foreign Assets Control



# ZIMBABWE

## What You Need To Know About U.S. Sanctions

### Executive Order 13288 - Blocking Property of Persons Undermining Democratic Processes or Institutions in Zimbabwe

■ **INTRODUCTION** - On March 7, 2003, as a result of actions and policies by members of the government of Zimbabwe and their supporters to undermine democratic institutions and processes, President Bush issued Executive Order 13288 imposing sanctions against specifically identified individuals and entities there. Providing statutory authority for these sanctions were the International Emergency Economic Powers Act ("IEEPA"), the National Emergencies Act and sections 301 of title 3 of the United States Code.

This fact sheet provides general information about the Zimbabwe sanctions program imposed by Executive Order 13288 and administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

■ **PROHIBITED TRANSACTIONS** – Executive Order 13288 prohibits U.S. persons, wherever located, or anyone in the United States, from engaging in any transactions with any person, entity or organization found to be undermining democratic institutions and processes in Zimbabwe listed in Annex A of the Executive Order. Persons, entities and organizations referenced in Annex A of the Executive Order have all been incorporated into OFAC's Specially Designated Nationals (SDN) list. Prohibited transactions with the sanctions targets include most financial transactions, as well as trade-related and other commercial activities. These prohibitions also extend to any person, organization or entity found to be owned, controlled or acting on behalf of any Zimbabwe entity included on the SDN list.

Under Executive Order 13288, U.S. persons are also required to block any property of any Zimbabwe Specially Designated National that is in the United States, that comes into the United States, or that comes under the control of a U.S. person wherever located. The term property includes, but is not limited to, money, checks, drafts, bank accounts, securities and other financial instruments, letters of credit, bills of sales, bills of lading and other evidences of title, wire transfers, merchandise and goods. Blockable property also includes any property in which there is any interest of a Zimbabwe SDN, including direct, indirect, future or contingent, and tangible or intangible interests.

Foreign branches and representative offices of U.S. companies, as well as U.S. branches and representative offices of foreign companies are considered U.S. persons for purposes of these prohibitions.

Transactions that do not involve any of the Zimbabwe SDNs, or persons or entities believed to be owned, controlled or acting on behalf of a Zimbabwe SDN are not prohibited by Executive Order 13288.

■ **PENALTIES** - Criminal fines for violating the Executive Order or regulations to be issued pursuant to the Executive Order may range up to the greater of \$500,000 or twice the pecuniary gain per violation for an organization, or up to the greater of \$250,000 or twice the pecuniary gain per violation for an individual. Individuals may also be imprisoned for up to 10 years for a criminal violation. Knowingly making false statements or falsifying or concealing material facts when dealing with OFAC in connection with matters under its jurisdiction is a criminal offense. In addition, civil penalties of up to \$11,000 per violation may be imposed administratively.

If you have information regarding possible violations of these sanctions, please call the Treasury Department's Office of Foreign Assets Control at 202/622-2430. Your call will be handled confidentially.

**Executive Order issued effective 12:01 eastern standard time on March 7, 2003:**

"By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), the National Emergencies Act (50 U.S.C. 1601 et seq.), and section 301 of title 3, United States Code,

I, GEORGE W. BUSH, President of the United States of America, have determined that the actions and policies of certain members of the Government of Zimbabwe and other persons to undermine Zimbabwe's democratic processes or institutions, contributing to the deliberate breakdown in the rule of law in Zimbabwe, to politically motivated violence and intimidation in that country, and to political and economic instability in the southern African region, constitute an unusual and extraordinary threat to the foreign policy of the United States, and I hereby declare a national emergency to deal with that threat.

I hereby order:

Section 1. Except to the extent provided in section 203(b) of IEEPA (50 U.S.C. 1702(b)), and in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order, all property and interests in property of the following persons that are in the United States, that hereafter come within the United States, or that are or hereafter come within the possession or control of United States persons, including their overseas branches, are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in:

(a) the persons listed in the Annex to this order; and

(b) any person determined by the Secretary of the Treasury, in consultation with the Secretary of State, to be owned or controlled by, or acting or purporting to act directly or indirectly for or on behalf of, any of the persons listed in the Annex to this order.

Sec. 2. (a) Any transaction or dealing by a United States person or within the United States in property or interests in property blocked pursuant to this order is prohibited, including but not limited to the making or receiving of any contribution of funds, goods, or services to or for the benefit of any person listed in the Annex to this order or who is the subject of a determination under subsection 1(b) of this order.

(b) Any transaction by a United States person or within the United States that evades or avoids, has the purpose of evading or avoiding, or attempts to violate any of the prohibitions set forth in this order is prohibited.

(c) Any conspiracy formed to violate the prohibitions set forth in this order is prohibited.

Sec. 3. For the purposes of this order:

(a) The term "person" means an individual or entity;

(b) The term "entity" means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization; and

(c) The term "United States person" means any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States.

Sec. 4. The Secretary of the Treasury, in consultation with the Secretary of State, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to me by IEEPA, as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

Sec. 5. This order is not intended to create, nor does it create, any right, benefit, or privilege, substantive or procedural, enforceable at law by a party against the United States, its agencies, officers, employees, or any other person.

Sec. 6. (a) This order is effective at 12:01 eastern standard time on March 7, 2003; and

(b) This order shall be transmitted to the Congress and published in the Federal Register."

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This document is explanatory only and does not have the force of law. The Executive Order and implementing regulations to be issued pertaining to Zimbabwe contain the legally binding provisions governing the sanctions. This document does not supplement or modify the Executive Order or regulations from a legal perspective.

The Office of Foreign Assets Control also administers sanctions programs involving the Balkans, Burma (Myanmar), Cuba, Diamond Trading, Iran, Liberia, North Korea, Sudan and Syria, as well as highly enriched uranium, designated Terrorists and international Narcotics Traffickers, Foreign Terrorist Organizations, and designated foreign persons who have engaged in activities related to the proliferation of weapons of mass destruction. For additional information about these programs or about sanctions involving the Zimbabwe, please contact the:

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